

SETTLEMENT AND GENERAL RELEASE AGREEMENT

1. Consideration, Parties, and Releases. For and in consideration of the sum of SIX HUNDRED THOUSAND DOLLARS AND NO/100 (\$600,000.00), receipt of which is hereby acknowledged, and the additional consideration herein defined, **RELEASOR CASTAIC BOAT & MARINE, LLC and OLD ROAD BOAT & SERVICE, LLC** hereby releases and forever discharges **STATE OF CALIFORNIA/CALTRANS (to pay TWO HUNDRED FIFTY-FIVE THOUSAND DOLLARS AND NO/100 (\$255,000.00); COUNTY OF LOS ANGELES (to pay TWO HUNDRED TWENTY THOUSAND DOLLARS AND NO/100 (\$220,000.00) and THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT; PLANT WAREHOUSE, INC. JAMES PIERCE & JANICE PIERCE (to pay ONE HUNDRED THOUSAND DOLLARS AND NO/100 (\$100,000.00); and FORUM ENGINEERING AND CONSTRUCTION, INC./MOSHE ZEMACH (to pay TWENTY-FIVE THOUSAND DOLLARS AND NO/100 (\$25,000.00)** and their associates, successors, heirs, assigns, agents, insurers, employees, officers, directors, representatives, lawyers, owners, predecessors, and all persons acting by, through, under, and in concert with them, or any of them, (hereinafter called "releasees") of and from any and all action or actions, cause or causes of action, in law or in equity, suites, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, expenses, or costs of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "claims") which plaintiffs now have or may hereafter have against the releasees, or any of them, by reason or any manner, cause, or thing whatsoever beginning of time to the day hereof, including but not limited to the generality of the foregoing,

and any claims arising out of, based upon, or relating to the business relationships and association of the parties, including those matters referred to in **Los Angeles County Superior Court, North Valley District, No. PC 037725, entitled Castaic Boat & Marine, LLC v. County of Los Angeles** (hereinafter called "the released claims").

2. Representations and Warranties.

(a) Plaintiffs represent and warrant that there has been, and there will be, no assignment or transfer of any interest in any claims that he/she/they may have against the releasees, or any of them, and plaintiffs agree as to the releasees, to indemnify and hold them harmless from any liability, claim, demand, damage, cause, expense, or attorneys' fees incurred by the releasees, or any of them, as a result of any person asserting any such assignment or transfer of any rights or claims under any such assignment or transfer.

(b) Plaintiffs agree that if they hereinafter commence, join in, or in any manner seek relief through any suit arising out of, based upon, or relating to any of the claims released hereunder, then they will pay to the releasees, in addition to any other damages caused to the releasees thereby, all attorneys' fees and costs incurred by the releasees in defending or otherwise responding to said suit or claim.

(c) This settlement is the compromise of a disputed claim and shall never be treated as an admission of liability by any of these parties for any purpose. Further, each of the releasees herein denies any liability for any of the claims, demands, damage, actions, causes of action, or suits herein released. Plaintiffs further understand and agree that neither the payment of any sum of money nor the execution of this Settlement and General Release Agreement shall constitute or be construed as an admission of liability whatsoever by the

releasees, or any of them, who have consistently taken the position that they have no liability to
CASTAIC BOAT & MARINE, LLC and OLD ROAD BOAT & SERVICE, LLC.

3. Waiver Under Section 1542 of California Civil Code. Notwithstanding
California Civil Code Section 1542 which provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

This release shall be a full settlement of all claims herein. This release shall act as a release of future claims which may arise from the above-mentioned dispute, whether such claims are currently known, unknown, foreseen, or unforeseen. Plaintiffs understand and acknowledge the significance and consequence of their specific waiver of Section 1542 of the California Civil Code and hereby assume full responsibility for injuries, damages, losses, or liabilities that they may hereafter incur from the above-specified dispute and the released claims.

4. Dismissal.

(a) Plaintiffs shall cause all legal proceedings they may have pending against releases, and specifically their claims against **defendants, State of California/Caltrans; County of Los Angeles; Plant Warehouse, Inc., James Pierce & Janice Pierce; and Forum Engineering and Construction, Inc./Moshe Zemach**, as described in **Los Angeles County Superior Court, North Valley District, No. PC037725, entitled Castaic Boat & Marine, LLC v. County of Los Angeles** to be dismissed with prejudice. Plaintiffs shall immediately execute and deliver a Request for Dismissal of the lawsuit to Phillips & Associates.

(b) Except for any payments provided for in this Agreement, the

parties hereto agree to bear their own costs and attorneys' fees with respect to the settled lawsuit, and the parties waive any statute, rule of court, or other law or provision awarding costs, fees or expenses.

5. Execution of Additional Documents. Plaintiffs agree hereafter to execute and deliver such additional documents as are necessary to effectuate the dismissal with prejudice of the settled lawsuit and to implement the other terms of this Agreement.

6. Confidentiality. All parties agree not to divulge, publicize, reveal, or otherwise disclose to any other person, except as required by law, the amount paid pursuant to Paragraph 1 of this Agreement, it being the desire of the parties hereto that such information shall remain a private, confidential matter among the parties hereto.

7. Severability. In the event that any provision or partial provision of this Agreement should be held to be void, voidable, or unenforceable, the remaining portions hereof shall nevertheless remain in full force and effect.

8. Governing Law. This agreement shall be construed in accordance with, and governed by, the laws of the State of California.

9. Releasor's Understanding. Plaintiffs declare that the terms of this Settlement and General Release Agreement have been completely read, are fully understood, and have been voluntarily accepted for the purpose of making a full and final compromise, adjustment, and settlement of any and all claims or disputes, on account of the released claims hereinbefore mentioned, and are for the express purpose of precluding forever any further or additional claims arising out of the aforesaid released claims. Plaintiffs acknowledge that they have been represented throughout these proceedings by an attorney and have sought the advice of

legal counsel in executing this Settlement and General Release Agreement.

10. Conditions Precedent. This Settlement and General Release Agreement is subject to approval by the County of Los Angeles Claims Board and the Board of Supervisors of the County of Los Angeles and will not be effective until so approved.

11. The releasees further agree that as between releasees, Agreement shall be a full settlement of all claims releasees have or may have against each other arising from the complaints filed by Castaic Boat & Marine, LLC and Old Road Boat & Service, LLC in Los Angeles County Superior Court Case No. PC037725. This release shall act as a release of future claims which may arise from the complaints filed by Castaic Boat & Marine, LLC and Old Road Boat & Service, LLC in Los Angeles County Superior Court Case No. PC037725, whether such claims are currently known, unknown, foreseen or unforeseen. Releasees specifically waive the provisions of California Civil Code Sections 1542 which provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

The releasees understand and acknowledge the significance and consequence of their specific waiver of Section 1542 of the California Civil Code and hereby assume full responsibility for injuries, damages, losses or liability that they may hereafter incur from the complaint filed by Castaic Boat & Marine, LLC and Old Road Boat & Service, LLC in Los Angeles County Superior Court Case No. PC037725. This release does not extend to any claims arising from Pierce v. State of California, Los Angeles Superior Court Case No. PC038126.

APPROVED AS TO FORM AND CONTENT

Dated: 1/3/07
By: [Signature]
Castaic Boat & Marine, LLC
at: Los Angeles, CA

Dated: 1/3/07
By: [Signature]
Robert Sibilio, Esq.
Steven Lorenzo, Esq.
Attorneys for Plaintiffs
Castaic Boat & Marine, LLC and
Old Road Boat & Service, LLC

Dated: 1/3/07
By: [Signature]
Old Road Boat & Service, LLC
at: Los Angeles CA

Dated: _____
By: _____
Plant Warehouse, Inc.
at: _____

Dated: _____
By: _____
Richard I. Phillips, Esq.
Phillips and Associates
Attorneys for Defendant and Cross-
Complainants Plant Warehouse, Inc.;
James and Janice Pierce

Dated: 3/13/07BY: State of California, Department
of Transportationat: _____
_____Dated: 3/28/07BY: Charles M. Belenky, Esq.
State of California, Department of
Transportation Attorneys for
Defendants, The People of the State of
California, acting by and through the
Department of Caltrans

Dated: _____

BY: _____

Forum Engineering

at: _____

Dated: _____

BY: _____

Harold Gutenberg, Esq.
Greenberg & Bass
Attorneys for Forum Engineering and
Construction, Inc. and Moshe Zemach

Dated: _____

BY: _____

Moshe Zemach

at: _____

Dated: _____

BY: _____

Los Angeles County Flood Control
Districtat: _____

Dated: _____

BY: _____

Rosa Linda Cruz, Esq.
Deputy County Counsel
Public Works Division

Dated: _____

BY: _____
State of California, Department
of Transportation

at: _____

Dated: _____

BY: _____
Charles M. Belenky, Esq.
State of California, Department of
Transportation Attorneys for
Defendants, The People of the State of
California, acting by and through the
Department of Caltrans

Dated: _____

BY: _____
Forum Engineering

at: _____

Dated: _____

BY: _____
Harold Gutenberg, Esq.
Greenberg & Bass
Attorneys for Forum Engineering and
Construction, Inc. and Moshe Zemach

Dated: _____

BY: _____
Moshe Zemach

at: _____

MAR 13 2007

Dated: _____
BY: _____
Los Angeles County Flood Control
District

ZEV YAROSLAVSKY

at: _____

CHAIRMAN, BOARD OF SUPERVISORS

ATTEST: SACHIA A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS

By Sefunig Sellaal-Bas, Deputy

Dated: March 13, 2007

BY: Rosa Linda Cruz
Rosa Linda Cruz, Esq.
Deputy County Counsel
Public Works Division



Dated: MAR 13 2007
By: *Zev Yaroslavsky*
County of Los Angeles
ZEV YAROSLAVSKY
at: _____
CHAIRMAN, BOARD OF SUPERVISORS

ATTEST: SACHI A. HAMAI
EXECUTIVE OFFICER
CLERK OF THE BOARD OF SUPERVISORS
By: *Sybil G. McLaughlin* Deputy



I hereby certify that pursuant to
Section 25103 of the Government Code,
delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors

By: *Sybil G. McLaughlin* Deputy

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

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MAR 13 2007

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER